

NEW OVERSEAS BUSINESS IS RX FOR HEALTH CARE ARCHITECTURE FIRM

by Doug Barry
U.S. Commercial Service

Young Archibald Rogers had no idea that the company he started in 1946 in his grandmother's Annapolis, Maryland basement would one day operate around the world.

From a mundane basement to gleaming office towers took a while, but today RTKL, a Baltimore-based full-service architectural firm, has locations in Europe and Asia. Last year the company generated sales of more than \$100 million. The firm's largest revenue producer is its health sciences practice, which designs and builds hospitals in the United States and, increasingly, abroad.

Rick Drake, vice president for health sciences, helps generate new international business. He recently participated in a U.S. Commercial Service Matchmaker Trade Mission focused on health care, with stops in Spain, Portugal, Italy, and Greece.

The Matchmaker Trade Delegation Program develops and facilitates industry-specific trade missions worldwide. U.S. participants say they consistently get good results, including distributor, agent, and strategic alliance agreements.

"This (Matchmaker) was a great market opener for us," Drake says. "We believe we've saved time and reduced marketing costs, and the Commercial Service brought us face-to-face with excellent prospects. Now the rest is up to us."

Well, not quite. While potential purchasers of RTKL services continue to assess the firm's capabilities, the Commercial Service has been working behind the scenes to push budding deals along a faster track. At a Matchmaker stop in Athens, Greece, Debbie Priamou, a commercial specialist at the U.S. embassy, helped marshal some impressive capabilities of the U.S. government to help Drake and his company. Says Priamou, "Greek businessmen like the fact that we are working with a U.S. firm. It makes them feel more comfortable. If the parties need our help in navigating the Greek bureaucracy, we're good at that too. After all, bureaucracy is a Greek word."

BEDSIDE DIPLOMACY

Priamou recalls the story of a U.S. maker of hospital beds that needed help winning a tender against a determined northern European competitor with an apparent edge. Priamou said she spoke to U.S. Ambassador Burns about the case, and he agreed to go

with her to visit the hospital administrator who was making the purchasing decision. "They were so impressed when the ambassador arrived to advocate for the U.S. supplier." The U.S. firm got the contract.

"Debbie and the rest of the Commercial Service staff in Athens are doing a great job keeping our flame alight in Athens," says Drake. The services provided during the Matchmaker included vetting potential Greek clients, setting up meetings with the Greek parties, including government officials, interpreters, government rates at hotels, and even accompanying Drake and a colleague to a Greek taverna for a taste of Greek culture. "I didn't get home until midnight," says Priamou. "We do a lot of work for our U.S. clients. You really can't put a price on the amount of service we provide."

"It is a fabulous program," remarks Drake. "We met with many potential clients on the Matchmaker mission, and we're actively negotiating on four major projects, including the construction of a medical park in Athens. We're hopeful that one or more of the projects will come through, including the one in Athens. The whole two-week trip through Europe for two of us cost less than \$10,000, and most of that was travel. We're talking tens of

millions of dollars of potential new business here.”

The Matchmaker Program is designed to help U.S. companies enter overseas markets. It often serves as a springboard to other global opportunities. In the case of RTKL, Matchmaker’s Bill Kutson introduced RTKL to a new hospital design project opportunity in South America.

What does RTKL offer that allows it to get such business? Drake believes that many U.S. firms, including small ones, have unique products and experience that make them competitive beyond their own established domestic market. In the case of RTKL, the firm provides planning expertise in analyzing population groups by age and the probable need for care. This analysis translates into the ability to size hospitals to particular communities, an enormous advantage considering the high cost of building on to facilities when planning assumptions – if there are any – turn out wrong. RTKL planners also monitor innovations in drug therapies to predict more accurately the number of costly surgical facilities. In addition, accurate predictions of demographic and other trends may indicate larger emergency rooms or ambulatory care facilities.

Drake believes that he and other architects at RTKL have learned by doing in international environments. “We go into different cultural settings with our minds and eyes wide open. We’re not arrogant. We understand there are cultural differences that matter, and these differences will affect what we design and build.”

DESIGNING CULTURE

RTKL actively partners with other firms in order to win and design new overseas business and to learn how to operate in different settings. In addition, local consultants are hired to work with planners and architects from the United States. Their functions are intended to mirror one another, with



the local consultants providing cultural insights that would likely escape an American. “In the U.S., a mother and father might go to the hospital to see a sick child,” observes Drake. “In other countries, extended families would visit the child, requiring larger waiting rooms and even larger patient rooms. We need to deliver facilities with the highest level of medical care but that are also comfortable in ways people in that culture expect.”

One strategy for attracting new business is to share success stories about serving clients in other international markets. “Once you have a track record, you can build on it, because everything you learn contributes to you and your company’s knowledge and capabilities,” notes Drake. International work definitely enhances a firm’s portfolio. For instance, RTKL worked on designs for the successful Beijing Summer Olympics bid.

In doing business internationally, Drake also notes that it is important to recognize and deal with the stereotyping of Americans that can occur in foreign markets. In response to this,

Drake stresses that it is important to really get to know the people you’re dealing with, to be a little less direct than usual, and to ask lots of questions, rather than deliver a dissertation at the first meeting.

Whether doing business internationally or in the U.S., Drake has also learned the value of being patient and not taking offense when eagerly anticipated responses do not come when desired: “I just figure that from the first contact it may require between 18 and 36 months to get a deal signed, and that there will be a lot of back and forth.”

The Commercial Service’s Priamou agrees about the need for patience and persistence. “Greeks often wait until the last minute,” she exclaims, rolling her eyes and shrugging her shoulders. “Don’t worry. We’ll come through.” ■